

CANNON BUILDING 861 SILVER LAKE BLVD., SUITE 203 DOVER, DELAWARE 19904-2467

STATE OF DELAWARE REAL ESTATE COMMISSION

TELEPHONE: (302) 744-4500 FAX: (302) 739-2711 WEBSITE: <u>DPR.DELAWARE.GOV</u> EMAIL: <u>customerservice.dpr@state.de.us</u>

PUBLIC MEETING MINUTES: REAL ESTATE COMMISSION

MEETING DATE AND TIME: Thursday, June 12, 2014 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Conference Room A, Second Floor of the Cannon Building

MINUTES FOR APPROVAL July 10, 2014

MEMBERS PRESENT

Michael Harrington, Sr., Professional Member, Chairman Andrew Staton, Professional Member, Vice Chairman Ricky H. Allamong, Professional Member, Secretary Christopher J. Whitfield, Professional Member Justin Healy, Professional Member Gilbert Emory, Public Member Lynn Rogers, Public Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

Eileen Kelly, Deputy Attorney General Sandra Wagner, Administrative Specialist III Jessica Williams, Administrative Specialist II

MEMBERS ABSENT

Joseph F. McCann, Public Member James C. Brannon, Jr., Public Member

ALSO PRESENT

Donna Klimowicz, Real Estate Education Committee Carolyn McCloskey

CALL TO ORDER

Mr. Harrington called the meeting to order at 9:03 a.m.

REVIEW OF MINUTES

Mr. Rogers made a motion, seconded by Mr. Emory, to approve the minutes of the meeting held on May 8, 2014. By unanimous vote, the motion carried.

NEW BUSINESS

Discussion and Review of Hearing Officer Recommendations

<u>Tinamarie Bolton</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Rogers describing the sanctions. After discussion, Mr. Rogers made a

motion, seconded by Mr. Allamong, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Carmen Brown</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Healy describing the sanctions. After discussion, Mr. Healy made a motion, seconded by Mr. Whitfield, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Jeffrey Garvey</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Staton describing the sanctions. After discussion, Mr. Staton made a motion, seconded by Mr. Whitfield, to amend the Hearing Officer's recommendation to revoke Mr. Garvey's license. By unanimous vote, the motion carried.

<u>Henry Eckhardt</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Rogers describing the sanctions. After discussion, Mr. Rogers made a motion, seconded by Mr. Staton, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Carolyn McCloskey</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Whitfield describing the sanctions. Ms. McCloskey was present for this discussion and addressed the Commission. After discussion, Mr. Whitfield made a motion, seconded by Mr. Staton, to accept the Hearing Officer's recommendation with an amendment of striking suspension. Mr. Whitfield made an amended motion, seconded by Mr. Allamong, to issue a letter of reprimand. By unanimous vote, the motion carried.

<u>Melissa Welch</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Staton describing the sanctions. After discussion, Mr. Staton made a motion, seconded by Mr. Allamong, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

<u>Diane Sangillo</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Allamong describing the sanctions. After discussion, Mr. Whitfield made a motion, seconded by Mr. Allamong, to amend the Hearing Officer's recommendation to allow Ms. Sangillo's license go into lapsed/must reinstate status. A hold will be placed on license and if Ms. Sangillo wants to reinstate at any time she will need to make up the deficient CE. By unanimous vote, the motion carried.

<u>C. Edward Scheivert</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Emory describing the sanctions. After discussion, Mr. Whitfield made a motion, seconded by Mr. Healy, to amend the Hearing Officer's recommendation to allow Mr. Scheivert's license go into lapsed/must reinstate status. A hold will be placed on license and if Mr. Scheivert wants reinstate at any time he will need to make up the deficient CE. By unanimous vote, the motion carried.

<u>Tanya Jackson</u> – Commission members reviewed the Rule to Show Cause Recommendation from the Hearing Officer with Mr. Emory describing the sanctions. After discussion, Mr. Emory made a motion, seconded by Mr. Whitfield, to accept the Hearing Officer's recommendation as written. By unanimous vote, the motion carried.

Education Committee Report

Ms. Klimowicz went through the Education Committee minutes with the Commission. They had 13 new courses approved and 10 denied, 4 instructor applications were approved, 1 was tabled, and 2 student requests, both were denied.

Ms. Klimowicz said that the Education Committee spent some time speaking about topics for the upcoming seminar in September. The Education Committee will revisit this discussion at the June 26, 2014.

Ms. Klimowicz spoke about online continuing education classes. The Committee had a concern that an individual can complete a three hour online course in less than three hours, for example, in as little time as 20 minutes. Mr. Harrington asked if the Education Committee could do some research on how other states handle this situation. All online CE courses are ARELLO approved. Ms. Klimowicz stated that if the Commission doesn't have a problem with it, then the Education Committee will probably not have a problem with the online courses. Ms. Klimowicz just wanted to discuss this with the Commission.

Mr. Staton spoke about the annual seminar again and asked the Commission of any topics they would like to see on the agenda to give the Education Committee some ideas to toss around instead of just leaving the topics up to the Education Committee. Mr. Emory asked if one of the topics could be about professionalism and Ms. Klimowicz said she thought that would be a great topic. Mr. Whitfield said another topic could be doing mock hearings.

Recommendation to Approve and Deny Course Providers, Instructor Applications and Student Requests as Noted

Mr. Staton made a motion, seconded by Mr. Emory, to approve to the education approvals submitted by the Education Committee. By unanimous vote, the motion carried.

Applications for Licensure

Ratification of Salesperson Applications

Mr. Staton made a motion, seconded by Mr. Whitfield, to ratify the following applications for salespersons:

Mary Schrock, Long & Foster Real Estate, Inc., Lewes, DE

Margaret McCoy, Long & Foster Real Estate, Inc., Greenville, DE

Amy Andrew, Callaway, Farnell and Moore, Inc., Seaford, DE

Stephen Enderle, Long & Foster Real Estate, Inc., Wilmington, DE

Steven Peters, Long & Foster Real Estate, Inc., Wilmington, DE

James Tillman, Berkshire Hathaway Home Svc. Fox & Roach, Newark, DE

Cooper Henry, KLNB, Towson, MD

Sherri Smith, Keller Williams at the Beach, Rehoboth Beach, DE

Collin Carr, Delaware Homes, Townsend, DE

Claudia Norman, Beach Bound Realty, Dagsboro, DE

Victoria Smith, Ocean Atlantic Sotheby's Intl Realty, Rehoboth Beach, DE

Barbara Burlingame, Weichert Realtors, Wilmington, DE

Brian Walsh, Patterson Schwartz, Hockessin, DE

Charity Johnson, Keller Williams Realty, Christiana, DE

Mark Glushakow, Long & Foster Real Estate, Inc., Ocean City, MD

Mark Cieniewicz, Keller Williams Realty at the Beach, Rehoboth Beach, DE

John Clough Jr., Long & Foster, Greenville, DE

Michael Manerchia, Keller Williams, Christiana, DE

Ashley Stevenson, RE/Max Horizons, Dover, DE

Linda Bakely, RE/Max Horizons, Dover, DE

Michele Craner, Berkshire Hathaway Home Svcs Fox & Roach, Hockessin.

DE

Robert Mattei, Long & Foster Real Estate, Inc., Greenville, DE

Christopher Callahan, Callaway, Farnell and Moore, Inc., Seaford, DE

Delandria Silver, Berkshire Hathaway Home Svcs Fox & Roach, Newark, DE

Jennifer Kenney, Berkshire Hathaway Home Svcs Fox & Roach, Newark, DE

Patricia Harling, Patterson Schwartz, Hockessin, DE

James Wellschlager, Jones Long LaSalle, Baltimore, MD

August Wilson, Keller Williams Realty Referral Association, Bear, DE

Lisa Bynum Yalley, Century 21 Premier Homes, Middletown, DE

Lettie Perry, Re/Max Above & Beyond, Seaford, DE

Denise Sawyer, Keller Williams Realty Central, Dover, DE

Athos Cerrato, Berkshire Hathaway Home Svc, Fox & Roach, Newark, DE

Peter Shade, Burns and Ellis, Dover, DE

Monique Hedrick, NRT Phila LLC d/b/a Coldwell Banker Preferred, Wilmington, DE

Kelly Patrick Maupin, First Class Properties, Dover, DE

Todd August, Long & Foster Real Estate, Bethany Beach, DE

Cashea Kelly, Keller Williams Realty Central, Dover, DE

Sherri Lierenz, Berkshire Hathaway Home Svc Fox & Roach, Newark, DE

Andre Wright, Key Realty LLC, Dover, DE

Michael Morehart, NRT Phila LLC d/b/a Coldwell Banker Preferred, Wilmington, DE

Monica Christy, NRT Phila LLC d/b/a Coldwell Banker Preferred, Wilmington, DE

Jeffrey Williamson, Long & Foster Real Estate Inc., Lewes, DE

Suzanne O'Brien, Coldwell Banker Residential Brokerage, Bethany Beach, DE

Lauren Madaline, Long & Foster Real Estate Inc., Greenville, DE

Cheri Chenoweth, Prudential PenFed Realty, Elkton, MD

Stephanie Larkin, Patterson Schwartz, Newark, DE

Sandra Unkeur, The Moving Experience, Dover, DE

Julianna Conomon, NRT Phila LLC d/b/a Coldwell Banker Preferred, Wilmington, DE

By unanimous vote, the motion carried.

Review of Salesperson Applications

Ms. Wagner described the reason for that Mr. Gary Stewart's application is on the agenda. Whitfield made a motion, seconded by Mr. Staton, to approve licensure to Mr. Stewart's application pending office being approved. By unanimous vote, the motion carried.

Review of Broker and Associate Broker Applications

Ms. Kelly described the reason for the review of Mr. Kevin McGowan's application. Mr. Whitfield made a motion, seconded by Mr. Staton, to approve licensure to Mr. McGowan's application. By unanimous vote, the motion carried.

The Commission reviewed the broker's application of Karen Logan. Mr. Whitfield made a motion, seconded by Mr. Staton, to approve Ms. Logan's application. By unanimous vote, the motion carried.

The Commission reviewed the broker's application of Josue' Figueroa-Sierra. Mr. Whitfield made a motion, seconded by Mr. Allamong, to approve Mr. Figueroa-Sierra's application. Mr. Figueroa-Sierra's license will not be issued until his office is approved by the Commission. By unanimous vote, the motion carried.

Review of Applications for Reinstatement

The Commission reviewed the application of Jeffrey King for reinstatement of a salesperson's license. Mr. Staton made a motion, seconded by Mr. Whitfield, to approve Mr. King's reinstatement application upon successful passing of the Delaware State exam. By unanimous vote, the motion carried.

The Commission reviewed the application of Michael Shallcross for reinstatement of a salesperson's license. Mr. Staton made a motion, seconded by Mr. Whitfield, to approve Mr. Shallcross' reinstatement application. Mr. Shallcross already passed both exams. By unanimous vote, the motion carried.

The Commission reviewed the application of David Kramer for reinstatement of a salesperson's license. Mr. Staton made a motion, seconded by Mr. Whitfield, to approve Mr. Kramer's reinstatement application upon successful passing of the Delaware State exam and the General Exam. By unanimous vote, the motion carried.

The Commission reviewed the application of Jeanie Marker for reinstatement of a salesperson's license. Mr. Staton made a motion, seconded by Mr. Whitfield, to approve Ms. Marker's reinstatement application upon successful passing of the Delaware State exam. By unanimous vote, the motion carried.

The Commission reviewed the application of Michael Stewart for reinstatement of a salesperson's license. Mr. Staton made a motion, seconded by Mr. Whitfield, to approve Mr. Stewart's reinstatement application. Mr. Stewart already passed both exams. By unanimous vote, the motion carried.

The Commission reviewed the application of Kefah Ksebe for reinstatement of a salesperson's license. Mr. Staton made a motion, seconded by Mr. Whitfield, to approve Mr. Ksebe's reinstatement application. Mr. Ksebe already passed both exams. By unanimous vote, the motion carried.

Review of Applications for New Office

The Commission reviewed the application of Johnston & Ilis, LLC for a relocation of office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the relocation of office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Brandywine Fine Properties Sothebys, Intl Realty for a relocation of office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the relocation application. By unanimous vote, the motion carried.

The Commission reviewed the application of McWilliams/Ballard for a new office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the new office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Wilgus Associates, Inc. for a new branch office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the new branch office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Lester Realty, Inc. for a relocation of office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the relocation application. By unanimous vote, the motion carried.

The Commission reviewed the application of We Win Together LLC d/b/a Olsen Realty for a new office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the new office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Re/Max Associates for a relocation of office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the relocation application. By unanimous vote, the motion carried.

The Commission reviewed the application of Jones Lang LaSalle Brokerage, Inc. for a new office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the new office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Fox Chase Realty LLC for a relocation of office. Mr. Staton made a motion, seconded by Mr. Rogers, to approve the relocation application. By unanimous vote, the motion carried.

Status of Complaints

Complaint # 02-20-13 – closed by Investigator Complaint # 02-12-14 – closed by Investigator

Correspondence

Letter from Ms. Barbara Carter

The Commission reviewed the request from Ms. Carter. Ms. Carter is asking to have 30 hours of continuing education waived and to be able to reactivate with the 21 hours of continuing education that she has completed. This request is due to some hardships that Ms. Carter has been going through since 2007. The Commission asked Ms. Wagner what the status of Ms. Carter's license was as of today. After Ms. Wagner checked the system it showed that Ms. Carter's license was in an active status. A review of Ms. Carter's information showed that she submitted a reactivation form after she submitted the letter for review by the Commission. The Commission asked Ms. Wagner to find out why Ms. Carter submitted this letter if she is already reactivated. Ms. Wagner will look into this situation.

Request from Briana Paterno

The Commission reviewed the request from Ms. Paterno. Ms. Paterno is asking to have her license placed on inactive status. Ms. Paterno petitioned the Commission for this since the April 30, 2014 renewal date has passed. This decision would need to be up to the Commission since her current status is lapsed/can renew. Mr. Whitfield made a motion, seconded by Mr. Allamong, to grant Ms. Paterno's request to go inactive. By unanimous vote, the motion carried.

Discussion: Request to Lift Probation from Keith Levitt

This discussion was moved to the July meeting.

Discussion: Request about Internet Offices

Ms. Wagner asked the Commission about someone having an internet office. This question has come up in the past, but Ms. Wagner stated that she is receiving more and more questions about this and wanted to know if the Commission thought about updating to allow this or does the Commission stand firm on what is currently in the law and rules and regulations. After discussion, the Commission stated that the law and rules and regulations do not allow an internet based offices. The Commission's concern is that unlicensed people are managing. Mr. Whitfield stated that for internet based companies you really do not know who is actually working with the public. Delaware does not allow internet based companies. Mr. Healy stated that the concept of real estate is that there is a broker that if someone needed to contact the broker the person would be able to, but with an internet based company, it is not clear how a broker would be contacted. Mr. Healy stated he does not see how this way of business is protecting the public.

Election of Officers

Mr. Harrington asked the Commission if he could have a vote to amend the agenda to add 3.8 elections of officers. Mr. Rogers made a motion, seconded by Mr. Staton, to amend the agenda to add 3.8 elections of officers. By unanimous vote, the motion carried.

Mr. Whitfield made a motion, seconded by Mr. Rogers, to nominate Mr. Staton to Chairperson, Mr. Allamong to Vice Chairperson, and Mr. Healy to secretary. By unanimous vote, the motion carried.

OLD BUSINESS

Review and Signing of Hearing Officer Orders

Mr. Harrington signed orders for:

Paul Bradley William Norman

OTHER BUSINESS BEFORE THE COMMISSION (for discussion only)

Mr. Harrington brought a memo to the Commission from the National Association of Exclusive Buyer Agents which was sent to Mr. Harrington directly. Mr. Harrington asked if the Commission members had any comments about the letter. Mr. Allamong stated that the Exclusive Buyer Agency is a contract issue. The Commission members felt that this should go to the real estate associations to be addressed not the Commission.

Mr. Allamong went to the Sussex County's MLS Committee meeting after he asked to be on their agenda. The discussion was about misleading the public with MLS listings. Mr. Allamong made it clear to the MLS Committee that he was there as an associate broker and not representing the Commission. The concern that Mr. Allamong has is that since the law and the rules and regulations have been changed that real estate went from being a presumed seller's agency to a presumed buyer's agency and presumed dual agency. A builder engages with a broker to list on the MLS. The builder has employees that greet you when you walk in which are not licensed. Where misleading the public comes in is that the listings go out to realtor.com and other sites and these listings are associated with a broker. However if a consumer was to just go look at the model home without contacting the broker, then when they walk in the door they are not being represented by a licensee. Mr. Allamong stated that he went to this Committee meeting as a concerned person and asked the Committee if they could see this as a concern. The MLS Committee did not share Mr. Allamong's concern. The Commission spoke about having a disclosure that needs to be signed to show that this builder's property is being marketed by a licensee. Mr. Staton asked Mr. Allamong if this was something he would like to bring up in the subcommittee meeting, Mr. Allamong said yes he would like to have this discussion in the subcommittee but wanted all the Commissioners to hear about this. This is not clear to consumers with advertising that when they walk into the builder's office they are being represented by a builder salesperson that does not hold a license.

PUBLIC COMMENT

There was no public comment.

NEXT SCHEDULED MEETING

The next meeting will be held on Thursday, July 10, 2014 at 9:00 a.m.

ADJOURNMENT

Mr. Whitfield made a motion, seconded by Mr. Rogers, to adjourn the meeting. By unanimous vote, the motion carried. The meeting adjourned at 10:45 a.m.

Respectfully submitted,

Sandra Wagner

Administrative Specialist III

The notes of this meeting are not intended to be a verbatim record of the topics that were presented or discussed. They are for the use of the Board members and the public in supplementing their personal notes and recall for presentations.